

5 February 2010

Members of Woodley Town Council,
The Oakwood Centre
Headley Road
Woodley
RG5 4JZ

Dear Members

Woodley Town Council – Annual Audit Letter 2008/09

This letter provides an overall summary of the findings and conclusions from my 2008/09 audit. I have addressed this letter to Members as it is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business and that the Council safeguards and properly accounts for public money.

My letter also communicates any significant issues to key external stakeholders, including members of the public. This letter is therefore included on the Audit Commission website at www.audit-commission.gov.uk. In addition, the Council may wish to publish it on its own website.

I have prepared this letter as required by the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission. This statement is also available on the Audit Commission's website.

As your appointed auditor, I am responsible for planning and carrying out an audit that meets the requirements of the Audit Commission's Code of Audit Practice (the Code). Under the Code, I review and report on the Town Council's accounts; and whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion);

Audit of accounts

I have completed the audit of the Council's accounts for 2008/09. My findings were summarised within my annual governance report presented to the Council on 2 February 2010.

Due to an initial disagreement over the accounting treatment for the Council's investments, I delayed giving my audit opinion until the matter could be resolved. The Council decided to prepare revised financial statements which were approved at the meeting on 2 February 2010. I was then able to issue an audit report which included an unqualified opinion.

Use of resources - value for money conclusion

I assess the Council's arrangements to secure economy, efficiency and effectiveness in the use of resources against criteria specified by the Audit Commission.

I was unable to conclude that, in all significant respects, Woodley Town Council made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2009, in that it did not have in place adequate arrangements for the VFM criteria in this year for:

- planning its finances effectively to deliver its strategic priorities and secure sound financial health;
- managing its risks and maintaining a sound system of internal control; and
- ensuring the accounts complied with statutory requirements and relevant accounting and reporting standards.

My annual governance report explains this assessment more fully and contains the wording of my audit report which included an adverse value for money conclusion. The report also made recommendations about how your arrangements may be improved in these areas.

I would like to take this opportunity to express my thanks for the positive approach taken to the audit and for the co-operation that we received from officers of the Council during the course of our audit.

Phil Sharman

District Auditor